WA pastoralists in first carbon farming windfall

Today’s results of national carbon auction signal lucrative new industry for WA

The Western Australian rangelands has been the big winner in the announcement today of successful projects from the 7th auction round of the Australian Government’s Emissions Reduction Fund (ERF).

In the auction round which issued $90m worth of carbon contracts to 32 carbon projects around Australia, Western Australia picked up half of the total number, securing 16 contracts. 15 of these will take place on WA pastoral leases. Assuming the average auction price of $13.52 per tonne of carbon, this equates to $47.5m in carbon contracts over the next 10 years.

“Today is a great day for WA’s Outback – a real breakthrough,” said David Mackenzie, WA Outback Manager for the Pew Charitable Trusts and spokesperson for conservation alliance, Partnership for the Outback.

“Until now, WA pastoral leases have been excluded from the lucrative carbon farming industry and denied the income and regeneration benefits being enjoyed by other states. However a long-running struggle by pastoralists and conservation organisations to change this, combined with cut-through leadership shown by Minister for Regional Development and Agriculture, Alannah MacTiernan, led to an 11th hour change of policy which made today’s successful bids for carbon projects possible,” said Mr Mackenzie.

“These carbon contracts represent the first dividends to emerge from the WA Government’s pastoral lease reform program,” Mr Mackenzie said. “This program holds the potential to modernise outdated, unfair laws which restrict people on the land from easily diversifying into a range of sustainable business enterprises. At the centre of reform discussions for decades has been the creation of a new form of lease called a Rangelands Diversification Lease. This would allow carbon farming, among other diversification options, to reach its full potential.

“After the success of today’s announcement, we encourage the government to continue down the path towards this new lease which will really take the brakes off the bush.”

Carbon farming is the commercial business of allowing and encouraging native bush to regrow, absorbing carbon from the atmosphere so that it is stored in plants and soil. This generates carbon credits that can be sold on national and international markets. Benefits of carbon farming for the Outback include:

- Growing back native bush to regenerate degraded landscapes and restore productivity
- Diversification opportunities and extra income for existing pastoral businesses
- Helping to address the major problems identified in last year’s Auditor General’s report into the management of pastoral lands, which found that pastoral lands have been declining in health for over 75 years.

The ERF is the federal government’s $2.55b carbon market which has so far contracted 192 million tonnes of carbon abatement and issued $2b worth of carbon contracts, mainly in the land sector.
“Finally bringing some of the Emissions Reduction Fund money into WA’s rangelands signals the start of what could be the biggest land regeneration project in history,” Mr Mackenzie said. “Carbon farming not only provides a chance for pastoralists to diversify their income and secure their livelihoods, but also enables the regeneration of bush across millions of hectares of degraded landscapes in the Outback. The benefits to pastoral productivity and for WA’s unique plants and animals are immense.”

Already established in states such as NSW, carbon farming has created jobs in regional and remote areas while regenerating degraded landscapes at little cost to government. Pastoral leases occupy one third of WA and take in some of our most iconic landscapes, from the Kimberley to the Nullarbor.

**Media enquiries:** Suzannah Macbeth – 0409 079 507